

APR 15 2016

Edwards,Michelle

**From:** CKetner@aol.com  
**Sent:** Friday, April 15, 2016 8:54 AM  
**To:** Azar, George; DeBaun,Curtis; Morris,Don; Auler,Amy; earl.elliott@terrehaute.in.gov; Nasser,Karrum; Nation,Todd; Crossen,Martha; Edwards,Michelle  
**Subject:** Annex 41 Abatement Request

CITY CLERK

A developer/investment firm, Annex 41 is proposing to purchase, demolish and build an apartment building at the site of the Boys & Girls Club here in Terre Haute. I do not mind seeing this new development here in the city, however they (Annex 41) are requesting an abatement on the property taxes, I take great issue with this abatement proposal.

These points are in no particular order,

- 1) This is a private out of town for profit investment firm meaning that the future profits from this project will NOT be staying in Terre Haute.
- 2) The annual payroll for 3 - 5 full time jobs will be some where between \$150,000.00 to \$200,000.00 well below any reasonable threshold for such an abatement request. These are not manufacturing jobs, odds are there will be little to no fringe benefits paid to these employees.
- 3) This development will be utilizing city services that are funded by property taxes, meaning they are asking for a discount on these type of services.
- 4) There are NO guarantees that the construction of said project will be built by local contractors and/or by local labor meaning that there is no promise that there will be any benefit to the local economy for the construction of this development.
- 5) The numbers that will be presented from their impact study would suggest that there would be an increase in dollars coming into the community via ISU students being housed in this proposed project, this is just not true, the students are ALREADY here and spending those dollars.
- 6) There are MANY local investors that have already invested into this community with student housing representing well over 10 times the number of beds proposed with this project and they have been funded solely by the local owners/investors who have NOT received any property tax abatements for their projects. Awarding an abatement for this project would send a clear and negative message to these local owners/investors.
- 7) There are no guarantees that this development won't be sold to ISU resulting in the property would then become exempt from property taxes.
- 8) Your governing body just passed a necessary trash tax ordinance which burdens local residents who DO pay local property taxes, folks that live here, play here and most importantly spend here. Giving this abatement would send a resoundingly negative message to us all, especially with the financial difficulties our city is having.
- 9) The project costs that are being touted by Annex 41, these are costs that ANY investment project ANYWHERE would be faced with, I call it the cost of doing business. One must carefully look at the projected rental income numbers and questions if they are true and accurate, based on the local rental market and not deflated for this abatement request. This is an investment not so much for the City of Terre Haute, moreover an investment for a for-profit out of town investment firm, we as citizens of Terre Haute have absolutely no onus or obligation to give them (Annex 41) a financial leg up. If their project numbers based on this proposed location don't work out for them without said abatement wouldn't it be wise for them to find a different location so the numbers would work for them without our financial assistance?

I am in no way against the Boys & Girls Club selling their property. I hope they are able to sell it. Given this buildings geographic location it is a reasonable bet that Annex 41 has not been the only interested party in acquiring this parcel of real estate. I feel it is your duty as an elected official here in the City of Terre Haute to not grant any such request for an abatement for this particular property.

Thank you for your time and consideration in this matter.

Respectfully submitted,

**Craig Ketner**  
**Ketner & Sons Electric Inc.**  
**812-466-5151**

**FILED**

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